

Washington Township
Morris County

Housing Plan Element
Fair Share Plan

Adopted:

August 24, 2005

*****REVISED JULY 2006 AS PER COAH 4/19 REQUEST**
FOR ADDITIONAL INFORMATION
Revised 11/15/6 as per COAH review

Prepared by: The Washington Township Planning Board

In Consultation with Banisch Associates, Inc.

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Washington Township Housing Element and Fair Share Plan

This Housing Plan Element has been prepared in accordance with the Municipal Land Use Law (MLUL) at N.J.S.A. 40:55D-28b.(3). This Housing Element has also been prepared pursuant to N.J.S.A. 52:27D-310, which outlines the mandatory requirements for a Housing Plan Element, including an inventory and projection of the municipal housing stock; an analysis of the demographic characteristics of the Township's residents; and, a discussion of municipal employment characteristics. It also responds to the affordable housing mandates of the Third Round Substantive Rules of the Council on Affordable Housing (COAH) (N.J.A.C. 5:94).

This Housing Plan Element includes the determination of Washington Township's fair share affordable housing obligation, and identifies proposed compliance techniques to meet the local obligation, which together constitute Washington Township's Fair Share Plan. The Fair Share for the Township has been calculated using two methods, including population growth based upon New Jersey Transportation Planning Authority (NJTPA) population and employment projections; and projections of residential and non residential growth. For both residential and nonresidential growth, locally projected growth well exceeds NJTPA population and employment forecast. Therefore, Washington Township has utilized local growth projections based upon approved, projected and anticipated development to determine its third round growth share affordable housing obligation.

Summary of Washington Township's Third Round Fair Share Obligation, Prior Rounds Affordable Housing Production & Crediting, and Third Round Fair Share Plan.

Municipal Determination of Third Round Fair Share Obligation - According to the Third Round COAH rules, Washington Township's current affordable housing fair share obligation consists of three components, including:

- a rehabilitation share;
- the remaining prior round obligation; and,
- the growth share, attributable to residential and non-residential growth projected to occur between 2004 and 2014.

Prior Rounds Affordable Housing Production & Crediting - The following is a summary of the calculation of Washington Township's prior round affordable housing production and credits, revised prior round obligation and the number of affordable housing credits that may be applied to the Township's third round affordable housing obligation.

Prior rounds affordable housing production & credits	111-units
1987 – 1999 Prior rounds obligation (revised):	<u>-42-units</u>
Credits from prior rounds to be applied to 3 rd round obligation:	69-credits

Third Round Growth Share Obligation:

Rehabilitation Obligation:	0
Residential growth share:	<u>$712 \div 8 = 89$ affordable housing units</u>
Nonresidential growth share:	<u>$687.43 \div 25 = 27.497$ (27.5) affordable housing units</u>
Total Growth Share:	<u>$89 + 27.5 = 116.5$ or 117 affordable housing units</u>

Third Round Fair Share Plan

For the Third Round, Washington Township proposes to address its third round fair share obligation by (1) applying credits from prior rounds affordable housing production; (2) an existing group home, which was not counted under the prior rounds; (3) an additional Buy-down moderate-income rental unit that will receive a certificate of occupancy in the fall of 2005; and (4) applying credit from an approved development project which includes an affordable housing component (age-restricted).

Addressing the Adjusted 3rd Round Obligation – The following table identifies a calculation of the Township’s 3rd Round fair share obligation after deducting eligible Second Round credits, built affordable housing projects, and approved housing projects that may be applied to the 3rd round obligation:

Third Round Obligation:	117
(1) Prior Rounds Credits	-69
(2) REM NJ Properties (4-br. group home-Long Valley Blvd.):	-4
(3) Washington Twp. Buy-down #6 (future):	-1
(4) US Home Age-restricted housing (future-45-units total):	-31
Remaining 3 rd Round Obligation:	8

This table shows that after applying these projects to the third round growth share obligation of 113, an eight (8) affordable housing unit gap remains to be filled.

The Township will utilize a variety of methods to address the remaining eight unit gap and exceed the obligation, thereby accruing affordable housing credits during the third round. This includes (1) a continuation of the municipal Buy-down program; (2) municipally-sponsored rental housing production (to be funded through a growth share ordinance) in conjunction with for-profit and non-profit developers; and a continuation of the accessory apartment program, which is currently permitted by ordinance.

- (1) Buy Down Program – 10 units; Washington Township has successfully completed 5 buy-downs and is nearing completion of its 6th buy down unit which will be put in service in the fall of 2005; The Township will continue to acquire housing units through its buy-down program and projects a total of 10 buy-downs during the third round;
- (2) Municipally-sponsored construction – 20 units; Washington Township has adopted a growth share ordinance, which will be used to collect in-lieu contributions from developers during the third round. The municipally sponsored construction will be funded through in-lieu contributions collected under this ordinance.
 - a. The Township is about to acquire a site (Block 34, Lot 46) through condemnation in Long Valley Village, which can accommodate affordable housing construction on the site. It is anticipated that a total of 10 low-income rental apartments will be constructed on the site.

- b. The Township will seek a partnership with a private developer to construct 10 rental units.
- (3) Accessory Apartment Program - The Township will continue to provide for the establishment of accessory apartments in the zoning ordinance. It is acknowledged that COAH's third round rules require these units to be low-income with 30-year affordability controls.

Implementing this fair share plan, will result in Washington Township exceeding its projected third round growth share affordable housing obligation.

Inventory of Municipal Housing Conditions

The primary source of information for the inventory of the Township's housing stock is the 2000 U.S. Census.

According to the 2000 Census, the Township has 5,890 housing units, of which 5,755 (88%) are occupied. Table 1 identifies the units in a structure by tenure; as used throughout this Plan Element, "tenure" refers to whether a unit is owner-occupied or renter-occupied. While the Township largely consists of one-family, detached dwellings (86% of the total, compared to 69% in the County), there are 803 units in attached or multi-family structures. The Township has a lower percentage of renter-occupied units, 12%, compared to 24% in Morris County and 32% in the State.

TABLE 1: Units in Structure by Tenure

Units in Structure	Vacant Units	Occupied Units		
		Total	Owner	Renter
1, detached	110	4,977	4,741	236
1, attached	0	291	266	25
2	8	40	0	40
3 or 4	17	169	0	169
5+	0	236	15	221
Other	0	0	0	0
Mobile home or trailer	0	42	42	0
Total	135	5,755	5,064	691

Source: 2000 U.S. Census, Summary Tape File 3 (STF-3) for Township, QT-H10 and DP-4.

Table 2 presents the data concerning the year housing units were built by tenure, while Table 3 compares the Township to Morris County and the State. Approximately 72% of the owner-occupied units in the Township have been built since 1970. Of the remaining housing stock, 20% was built between 1940 and 1970 and 8% were built prior to 1940. Conversely, the highest

rate of renter occupied units (56%) was also built after 1970 and 26% were built between 1940 and 1970 and 18% were built prior to 1940.

TABLE 2: Year Structure Built by Tenure

Year Built	Vacant Units	Occupied Units		
		Total	Owner	Renter
1990-2000	17	985	830	155
1980-1989	10	1603	1428	175
1970-1979	38	1450	1393	57
1960-1969	0	711	627	84
1950-1959	20	327	262	65
1940-1949	8	139	111	28
Pre-1940	42	540	413	127

Source: 2000 U.S. Census, STF-3 for Township, QT-H7.

Table 3 compares the year of construction for all dwelling units in the Township to Morris County and the State. The Township has a much larger percentage of units built after 1970 than does the County or State, and a smaller percentage of units built before 1970. This is exemplified in the median year built between the State, County and Township.

TABLE 3: Comparison of Year of Construction for Township, County, and State

Year Built	%		
	Washington Township	Morris County	New Jersey
1990 – 2000	32.4	13.5	10.5
1980 – 1989	27.4	12.6	12.4
1970 – 1979	25.3	15.3	14.0
1960 – 1969	12.1	18.6	15.9
1940 – 1959	8.4	24.8	27.1
Pre-1940	9.9	15.3	20.1
Median Year	1978	1965	1962

Source: 2000 U.S. Census, SF-3 for Township, County, and State, DP-4.

Information reported in the 2000 Census concerning occupancy characteristics includes the household size in occupied housing units by tenure, and the number of bedrooms per unit by tenure; these data are reported in Tables 4 and 5, respectively. Table 4 indicates that renter-occupied units generally house smaller households, with 78% of renter-occupied units having 2 persons or fewer compared to 37% of owner-occupied units. Table 5 indicates that renter-occupied units generally have fewer bedrooms, with 70% having two bedrooms or fewer, compared to 7% of owner-occupied units.

TABLE 4: Household Size in Occupied Housing Units by Tenure

Household Size	Total Units	Owner-occupied Units	Renter-occupied Units
1 person	703	422	281
2 persons	1718	1459	259
3 persons	1206	1145	61
4 persons	1318	1277	41
5 persons	592	566	26
6 persons	180	157	23
7+ persons	38	38	0
Total	5,755	5,064	691

Source: 2000 U.S. Census, SF-3 for Township, H-17.

TABLE 5: Number of Bedrooms per Unit by Tenure

Number of Bedrooms	Total Units	(%)	Vacant Units	Occupied Units		
				Total	Owner	Renter
No bedroom	62	1.1	20	42	0	42
1 bedroom	243	4.1	25	218	55	163
2 bedrooms	631	10.7	47	584	308	276
3 bedrooms	1672	28.4	19	1653	1523	130
4 bedrooms	2773	47.1	16	1913	2685	72
5+ bedrooms	509	8.6	8	501	493	8

Source: 2000 U.S. Census, SF-3 for Township, QT-H8 and QT-H5.

Table 6 compares the Township's average household size for all occupied units, owner-occupied units, and renter-occupied units to those of the County and State. The Township's average household size for owner-occupied units is higher than the State and the County. The average household size for renter-occupied units is lower than the County and the State's.

TABLE 6: Average Household Size for Occupied Units for Township, County, and State

Jurisdiction	All Occupied Units	Owner-occupied units	Renter-occupied units
Washington Township	3.02	3.16	2.04
Morris County	2.72	2.88	2.21
New Jersey	2.68	2.81	2.43

Source: 2000 U.S. Census, SF-1 for Township, County, and State, DP-1.

The distribution of bedrooms per unit, shown in Table 7, indicates that the Township contains fewer 0-3 bedroom units than the County or State and more four or five bedroom units than either the County or State.

TABLE 7: Percentage of All Units by Number of Bedrooms

Jurisdiction	None or one	Two or Three	Four or More
Washington Township	5.2	39.1	55.7
Morris County	15.2	49.8	35
New Jersey	18.3	59.2	22.6

Source: 2000 U.S. Census, SF-3 for Township, County, and State, QT-H4.

In addition to data concerning occupancy characteristics, the 2000 Census includes a number of indicators, or surrogates, which relate to the condition of the housing stock. These indicators are used by the Council on Affordable Housing (COAH) in calculating a municipality's deteriorated units and indigenous need. In the first Two Rounds of COAH's fair share allocations (1987-1999), COAH used seven indicators to calculate indigenous need: age of dwelling; plumbing facilities; kitchen facilities; persons per room; heating fuel; sewer; and, water. In the proposed Round Three rules, COAH has reduced this to three indicators:

Persons per Room, which in addition to age of unit (Pre-1940 units in Table 2), are the following, as described in COAH's rules.

Plumbing Facilities Inadequate plumbing is indicated by either a lack of exclusive use of plumbing or incomplete plumbing facilities.

Kitchen Facilities Inadequate kitchen facilities are indicated by shared use of a kitchen or the non-presence of a sink with piped water, a stove, or a refrigerator.

Table 8 compares the Township, County, and State for the above indicators of housing quality. The Township has more units with inadequate plumbing and kitchen facilities than the County but less than the State.

TABLE 8: Housing Quality for Township, County, and State

Condition	%		
	Washington Township	Morris County	New Jersey
Inadequate plumbing ¹	.5	.4	.7
Inadequate kitchen ¹	.6	.3	.8

Notes: ¹The universe for these factors is all housing units.

Source: 2000 U.S. Census, SF-3 for Township, County, and State QT-H4.

The last factors used to describe the municipal housing stock are the values and rental values for residential units. With regard to values, the 2000 Census offers a summary of housing values. These data are provided in Table 9 and indicate that 80% of all residential properties in the Township are valued over \$200,000.

TABLE 9: Value of Owner Occupied Residential Units

Value	Number of Units	%
\$0 – 50,000	22	.5
\$50,000 – 99,999	17	.4
\$100,000 – 149,999	314	6.6
\$150,000 – 199,999	572	12
\$200,000 – 299,999	1854	38.8
\$300,000 – 499,999	1670	35
\$500,000 – 999,999	327	6.8
\$1,000,000 +	0	0

Source: 2000 U.S. Census, SF-3 for Township, County, and State, DP-4.

The data in Table 10 indicate that virtually all housing units rent for over \$500/month (99%) with the largest percentage, 32.4%, found between \$1,000 and \$1,499 per month, and 19.3% of the units renting for \$1,500/ month or more.

TABLE 10: Gross Rents for Specified Renter-Occupied Housing Units¹

Monthly Rent	Number of Units	%
Under \$200	0	0
\$200 – 299	0	0
\$300 – 499	6	1
\$500 – 749	72	11.6
\$750 – 999	170	27.4
\$1,000 – 1,499	201	32.4
\$1,500 or more	120	19.3
No Cash Rent	52	8.4

Note: Median gross rent for Washington Township is \$1,052.

Source: 2000 U.S. Census, SF-3 for Township, QT-H12.

The data in Table 11 indicate that there are 299 renter households making less than \$35,000 annually. At least 258 of these households are paying more than 30% of their income for rent; a figure of 30% is considered the limit of affordability for rental housing costs.

TABLE 11: Household Income in 1999 by Gross Rent as a Percentage of Household Income in 1999¹

Income	Number of Households	Percentage of Household Income					
		0 – 19%	20 – 24%	25 – 29%	30 – 34%	35% +	Not computed
< \$10,000	47	0	0	0	0	47	0
\$10,000 – 19,999	103	0	0	0	0	95	8
\$20,000 – 34,999	149	0	9	0	28	88	24
\$35,000 +	322	150	86	19	24	23	20

Note: ¹The universe for this Table is specified renter-occupied housing units.
 Source: 2000 U.S. Census, SF-3 for Township, QT-H13.

Analysis of Demographic Characteristics

As with the inventory of the municipal housing stock, the primary source of information for the analysis of the demographic characteristics of the Township's residents is the 2000 U.S. Census. The data collected in the 2000 Census provide a wealth of information concerning the characteristics of the Township's population.

The 2000 Census indicates that the Township has 17,592 residents, or 2000 more residents than in 1990, a 13% increase. The Township's 13% increase in the 1990's compares to a 12% increase in Morris County and an 8% increase in New Jersey.

The age distribution of the Township's residents is shown in Table 12. The age classes remain relatively evenly split between males and females with a predominance of males in the age range of 55-69 and a female predominance in the 70 and over range.

TABLE 12: Population by Age and Sex

Age	Total Persons	Male	Female
0-4	1,213	613	600
5 – 19	4,460	2,232	2,228
20 – 34	2,097	1,031	1,066
35 – 54	6,789	3,283	3,506
55 – 69	1,938	1,051	887
70 +	1,095	383	712
Total	17,592	8,593	8,999

Source: 2000 U.S. Census, SF-1 for Township, QT-P1.

Table 13 compares the Township to the County and State for the same age categories. The principal differences among the Township, County, and State occurs the age categories over 55 where the Township has a lower percentage of population located in those cohorts. The Township has a higher percentage of 5-19 and 35-54-year olds than the County or State.

TABLE 13: Comparison of Age Distribution for Township, County, and State (% of persons)

Age	Washington Township	Morris County	New Jersey
0-4	6.9	7	6.7
5 – 19	25.3	19.9	20.4
20 – 34	11.9	17.9	19.9
35 – 54	38.7	33.6	30.9
55 – 69	11.1	13.3	12.4
70 +	6.2	8.3	9.7
Median	38.3	37.8	36.7

Source: 2000 U.S. Census, SF-1 for Township, County, and State. QT-P1.

Table 14 provides the Census data on household size for the Township, while Table 15 compares household sizes in the Township to those in Morris County and the State. The Township, has a lower percentage of households with 1 or 2 persons but a higher percentage of households with 3 to 6 persons than the County or State.

TABLE 14: Persons in Household

Household Size	Number of Households
1 person	701
2 persons	1,718
3 persons	1,203
4 persons	1,324
5 persons	592
6 persons	157
7 or more persons	60

Source: 2000 U.S. Census, STF-1 for Township, QT-P10.

TABLE 15: Comparison of Persons in Household for Township, County, and State (% of households)

Household Size	Washington Township	Morris County	State
1 person	12.2	21.5	24.5
2 persons	29.9	31.8	30.3
3 persons	20.9	17.6	17.3
4 persons	23	17.7	16
5 persons	10.3	7.8	7.5
6 persons	2.7	2.3	2.7
7 or more persons	1	1.3	1.7
Persons per household	3.02	2.72	2.68

Source: 2000 U.S. Census, SF-1 for Township, County, and State, QT-P10.

Table 16 presents a detailed breakdown of the Township's population by household type and relationship. There are 4,874 family households in the Township and 881 non-family households; a family household includes a householder living with one or more persons related to him or her by birth, marriage, or adoption, while a non-family household includes a householder living alone or with non-relatives only. In terms of the proportion of family and non-family households, the Township has more family households than the County or State (85% for the Township, 73.6% for the County, and 70.3% for the State).

TABLE 16: Persons by Household Type and Relationship

	Total
In family Households:	4,874
Spouse	4,377
Child	2,769
In Non-Family Households:	881
Male householder:	384
Living alone	274
Not living alone	110
Female householder:	497
Living alone	427
Not living alone	70
In group quarters:	198
Institutionalized:	161
Non-institutionalized	37

Source: 2000 U.S. Census, SF-3 for Township, QT-P11 and QT-P12.

Table 17 provides 1999 income data for the Township, County, and State. The Township's per capita and median incomes are higher than those of the State and the County. The definitions used for households and families in Table 17 are similar to those identified in the description of Table 16, so that the households figure in Table 17 includes families.

TABLE 17: 1999 Income for Township, County, and State

Jurisdiction	Per Capita Income	-----Median Income-----	
		Households	Families
Washington Township	37,489	97,763	104,926
Morris County	36,964	77,340	89,773
New Jersey	27,006	55,146	65,370

Source: 2000 U.S. Census, SF-3 for Township, County, and State, DP-3.

Table 18 addresses the lower end of the income spectrum by providing data on poverty levels for persons and families. The determination of poverty status and the associated income levels is based on the cost of an economy food plan and ranges from an annual income of \$9,570 for a one-person family to \$32,390 for an eight-person family (three-person family is \$16,090) (determined for 2005). According to the data in Table 18, the Township proportionally has less persons and families qualifying for poverty status than do the County and State. The percentages in Table 18 translate to 397 persons and 90 families in poverty status. Thus, the non-family households have a larger share of the population in poverty status.

TABLE 18: Poverty Status for Persons and Families for Township, County, and State
(% with 1999 income below poverty)

Jurisdiction	Persons (%)	Families (%)
Washington Township	2.3	1.8
Morris County	3.9	2.4
New Jersey	8.5	6.3

Source: 2000 U.S. Census, SF-3 for Township, County, and State, DP-3.

The U.S. Census includes a vast array of additional demographic data that provides interesting insights into an area's population. For example, Table 19 provides a comparison of the percent of persons who moved into their homes between the years 1995-2000; this is a surrogate measure of the mobility/stability of a population. The data indicate that the percentage of Township residents residing in the same house as in 1995 is less than that of the County and the State.

TABLE 19: Comparison of 1995-1998 and 2000 Place of Residence for Township, County, and State

Jurisdiction	Percent living in same house in 1995-1998
Washington Township	38.4
Morris County	42.3
New Jersey	43.3

Source: 2000 U.S. Census, SF-3 for Township, County, and State, QT-H7.

Table 20 compares the educational attainment for Township, County, and State residents. The data indicates that Township residents exceed the State and County for residents with a high school diploma or higher and residents with a bachelor's degree or higher.

**TABLE 20: Educational Attainment for Township, County, and State Residents
(Persons 25 years and over)**

Jurisdiction	Percent (%) high school graduates or higher	Percent (%) with bachelor's degree or higher
Washington Township	96.3	53.2
Morris County	90.6	44.1
New Jersey	82.1	29.8

Source: 2000 U.S. Census, SF-3 for Township, County, and State, DP-2.

The 2000 Census also provides data on the means of transportation which people use to reach their place of work. Table 21 compares the Census data for the Township, County, and State relative to driving alone, carpooling, using public transit, and using other means of transportation. The Township has a relatively high percentage of those who drive alone, and a relatively low percentage of workers who carpool or use public transit. Of the 8% of workers who reside in the Township and use other means of transportation to reach work, 69% (or 480 workers) work at home and 17% (or 120 workers) walk to work.

**TABLE 21: Means of Transportation to Work for Township, County and State Residents
(Workers 16 years old and over)**

Jurisdiction	Percent who drive alone	Percent in carpools	Percent using public transit	Percent using other means
Washington Township	83.6	6.2	2.1	8
Morris County	81.2	8.2	4.2	6.4
New Jersey	73	10.6	9.6	6.7

Source: 2000 U.S. Census, SF-3 for Township, County, and State, DP-3.

Projection of Municipal Housing Stock

As part of the mandatory contents of a housing element, the Township is required to produce “a projection of the municipality’s housing stock, including the probable future construction of low and moderate income housing, for the next ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands.” (N.J.S.A. 52:27D-310b.) Table 22 provides detailed information concerning the issuance of building permits for new residential units for the last 24 years.

TABLE 22: New Residential Building Permits, 1980-2004 by year

Year	Single-Family Units	Multi-Family Units	Total Units
1980	213		213
1981	74		74
1982	157	7	164
1983	234		234
1984	232		232
1985	210		210
1986	203		203
1987	122	14	136
1988	61	44	105
1989	96	108	204
1990	23		23
1991	41		41
1992	67		67
1993	86		86
1994	79		79
1995	59		59
1996	64		64
1997	82		82
1998	67		67
1999	121		121
2000	137		137
2001	65		65
2002	48		48
2003	63		63
2004	47		47
Total	2,651	173	2,824
1980-1989	1,602	173	1,775
1990-1999	689	0	689

Source: New Jersey Department of Labor, New Jersey Residential Building Permits, Historical Summary 1980-1989, and New Jersey Department of Labor for the years 1990- 2004.

The data in Table 22 provide an interesting view of the Township's recent residential development. The majority of growth occurred between 1980 and 1989 with 63% of units being built during the last 24 years. During the 1990's the growth stabilized slightly with 24% of the units being constructed. Since 1999, building permits have slowly declined. This reflects the previous information on the housing stock in the Township which indicates that the average house in the Township was built in 1978. Multi-family units were built during the 1980's which contributed 173 units to the housing stock.

Appendix A

Residential Growth Share:

TABLE -R1
MPO Residential Growth Projection

2015		2005		Population	÷	2000	Household
MPO	-	MPO	=	Change		Household	Growth
Pop.		Pop				Size	
17,940		18,180		-240		3.02	-240

2015 Population: 17,940
2005 Population: 18,180
Population change: -240

-240 ÷ 3.02 (2000 Census avg. household size) = (-79.47) **-80 household growth**

Source: (MPO) MCD projections presentation final, 5/23/2005; NJTPA Approved Demographic and Employment Forecasts; NJTPA Population Forecast by County and Municipality

Note: the MPO projection for Washington Township shows a loss of population for the 2005 – 2015 time period.

Table 2
Ten Year Historic Trend of Certificates of Occupancy and Demolition Permits

	1995*	1996	1997	1998	1999	2000	2001	2002	2003	2004	Total
CO's issued	65*	54	89	52	93	64	74	55	46	57	584
Demolition permits	1*	1	0	0	0	0	1	3	2	1	8
Net change											640*

* 1995 is an average value (estimate) for the number of C of O's issued during the following 9 years. Since the 1995 data is not available, an estimate for 1995 is included in the Total.

TABLE R-3
Anticipated Development & Number of Residential Units by the Year that Certificates of Occupancy Are Anticipated to be Issued

Approved Development Applications	05	06	07	08	09	10	11	12	13	Total C of O's
Hays 12-lots (12/9/02)			3	3	3	3				12
Lance 3-lots (6-23-04)		1	1							2
Rand Homes 10-lots (8-27-03)			3	3	3	1				10
Cianfrocca 1-lots 2-23-05		1								1
Blue Crest 2-lots (6-9-03)		1	1							2
Hoppe 1-lots (6-23-04)		1								1
Claremont Valley 2-lots) 5-26-04)	1	1								2
Maribel Meadows 3-lots (12-9-2)	2	1								3
Cortland Estates 12-lots (10-24-01)	4	4	4							12
Kramer 12-lots (10/24/01)	6	3	3							12
Hogan 2-lots (8-27-3)	2		1							3
Mission Ridge 6-lots (2-26-03)	2	2	2							6
Sixteen Hands Farm (2-unit)		2								2
Regency 45-units		12	12	12	9					45
Dilling 2-lot (03')	1	1								2
Gallets 2-lots (03')			1	1						2
Mascharka 2-lots (04')			1	1						2
Fleming 2-lots (04')		1								1
Perez – 4-units farm labor housing 05'	2	2								4
Granata – 1		1								1
Hilltop-TM Group - 9	3	3	3							9
Settlers Ridge – 8		3	3	2						8
Toll – 39	5	19	5	10						39
JBK – 1		1								1
OFP (Rasa) – 26				13	13					26
US Home 360-units – 45 affordable; (6-13-05)		60	60	60	120	60				360 315 Mkt./45
Pending Development Applications(1)										
Araneo – 2			2							2
Carfaro – 1			1							1
Drakestown Associates 14-lots			3	3	3	5				14
Elegant Homes 3-lots			2	1						3
Lang 2-lots			1	1						2
Mortonhouse 5-lots			2	3						5
Palazo 1-lots			1							1
Rosewood 5-lots			2	3						5
Turnquist 3- lots		1	1	1						3

Anticipated Development Applications(2)										
Un-named major age-restricted development 50-lots			5	10	10	10	10	5		50
Other Projected Development (3)	0	0	0	0	10	10	10	10	10	50
Totals	28	121	123	127	171	89	20	15	10	704

- (1) Pending development applications listed include the number of lots in the application, some of which do not conform to the Highlands Preservation Area development standards and are therefore not likely to come to fruition during the third round since the actual number of units that may be constructed is expected to be less than the number of lots in application;
- (2) Since the municipality has been designated primarily preservation area in the Highlands Act (85%+), this number assumes development of a tract of land that is located outside of the preservation area in the planning area portion of the township, which permits age-restricted attached housing; and
- (3) This is an estimate of the number of dwellings that could be expected from subdivision activity in the preservation and planning during the third round.

Table - R4
Projected Certificates of Occupancy and Demolition Permits

	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
Total CO's Issued	28 +26* 54 45*	121 130	123	127	171	89	20	15	10	730
Demolitions	1	1	1	1	1	1	1	1	1	9
Net	53 44	120 129	122	126	170	88	19	14	9	721

*Actual 2005 CO's and demolitions – Note that the balance of units forecast for 2005 in initial filing of petition for sub. cert. have been moved to 2006 and the residential growth projection remains unchanged from the August 2005 projection.

Table - 5
Total Net Residential Growth
(Sum of actual & projected growth)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
Total CO's Issued	57	28 +26* 54 45*	121 130	123	127	171	89	20	15	10	778 787
Demolitions	1	1	1	1	1	1	1	1	1	1	10
Excluded – US Home (45) + Muni.Sponsored Rentals (20) = 65											
Net	56	53 44	120 129	122	126	170	88	19	14	9	768 712

*Actual 2005 CO's and demolitions – Note that the balance of units forecast for 2005 in initial filing of petition for sub. cert. have been moved to 2006 and the residential growth projection remains unchanged from the August 2005 projection.

Note: Compare the total net residential growth in Table-5 to household growth (Table-1). If the net residential growth is greater than or equal to the MPO household growth population, the projection will have a presumption of validity in the Township's petition for substantive certification.

- Net Residential Growth in Table 5: 712 units
- **NJTPA Projected Household Growth:** 330 units

Net Residential Growth is greater than NJTPA (MPO) household growth projection.

Table R-6
 Second Round Affordable and Market-Rate Units
 in Inclusionary Developments To Be Excluded
 from Growth Projection, by the Year that CO's are to be issued (if any)
NONE

Table R-7
 Net Residential Growth Projections After Subtracting
 Second Round Affordable and Inclusionary Market-Rate Units
Not applicable

Calculate growth share obligation attributable to residential growth by dividing the total number of units by nine (9) to determine the growth share obligation:

$$777 - 65 \text{ (U.S. Home \& Muni. Sponsored Const.)} = 712 \div 8 = \underline{89 \text{ affordable housing units}}$$

(residential growth share obligation)

Nonresidential Growth Share:

Table NR-1			
MPO Non-Residential Growth Projection			
2015 MPO	-	2005 MPO	=
Employment	-	Employment	=
4,400	-	3,940	= 460

460 ÷ 25 = 18.4 Affordable Housing Units

Source: (MPO) NJTPA Revised Demographic and Employment Forecasts: Household Forecast **5/23/05**

Table NR-2
MPO Non-Residential Growth Projection – C-O's issued

	95 sf	96 Sf	97 sf	98 sf	99 sf	00 sf	01 sf	02 sf	03* sf	04 sf	05	Total
B-Office	<u>10,632</u>											10,632
M- Mercantile			8,400							2,600	<u>3,150</u>	<u>14,150</u>
F-Factories / Industrial		945		238	3,533		9,720					14,436
S-Storage Uses							23,000				<u>2,560</u>	<u>25,560</u>
H-High Hazard Mfgr.												
A-1 Assembly												
A-2 Assembly												
A-3 Assembly		80						30,744				30,824
A-4 Assembly			5,040		50							5,090
A-5 Assembly												
E Schools K-12						1,296				6,335		7,631
I-Institution				184								184
R-1 Hotel / Motel					3,800							3,800
U-Misc. fence, tank, barns, ag. bldg., shed, grnhouses, etc.										7,865	<u>10,620</u>	<u>18,485</u>

***2003 - No certificates of occupancy issued.**

1995 – 2005 Nonresidential Jobs Created		
	Total	Jobs
B-Office (3/1,000)	10,632	31.896
M-Mercantile (1/1,000)	14,150	14.150
F-Factories / Industrial (2/1,000)	14,436	28.872
S-Storage Uses (.2/1,000)	25,560	5.112
H-High Hazard Mfgr. (1/1,000)		
A-1 Assembly (2,1,000)		
A-2 Assembly (3/1,000)		
A-3 Assembly (3/1,000)	30,824	92.472
A-4 Assembly (3/1,000)	5,090	15.27
A-5 Assembly (exclude)		
E Schools K-12 (1/1,000)	7,631	7.631
I-Institution (2/1,000)	184	.368
R-1 Hotel / Motel (.8/1,000)	3,800	3.04
U-Misc. fence, tank, barns, ag. bldg., shed, grnhouses, etc. (exclude)	18,485	
		198.811

The trend development shown on the table above shows that the last eleven years produced the equivalent of approximately 8 units of growth share (9.95); which compares with the Township's projection provided in Table NR-5 of 27.14 units, as approximately one-third the growth share anticipated during the third cycle.

Table NR-2.1
Non-Residential – Demolitions 1995 - 2005

	95	96	97	98	99	00	01	02	03*	04	05
Office				1	1			2		1	
Retail											
A-1											
A-2											
A-3							1				
A-4											
A-5											
Hotel / motel											
Education				1							1
Industrial											
Hazardous											
Institutional											
Storage											
Signs, fences, utility & misc.								1	3	16	3

Table NR-3
 Nonresidential: 2004 & 2005 Actual Development
 by Year that CO's were Issued (one job/8,333 sq. ft.)

	2004	2005	Total sq. ft.	Jobs
B-Office (3/1,000sf)	0	0	0	0
Demolitions	1	0	unknown	-
M-Mercantile (1/1,000 sf)	2,600	3,150	5,750	5.75
Demolitions	0	0	0	-
F-Factories (2/1,000 sf)	0	0	0	-
Demolitions	0	0	0	-
S-Storage (.2/1,000 sf)	0	2,560	2,560	.512
Demolitions	0	0	0	-
H-High Hazard (1/1,000 sf)	0	0	0	-
Demolitions	0	0	0	-
A-1 Assembly (2/1,000 sf)	0	0	0	-
Demolitions	0	0	0	-
A-2 Assembly (3/1,000 sf)	0	0	0	-
Demolitions	0	0	0	-
A-3 Assembly (3/1,000 sf)	0	0	0	-
Demolitions	0	0	0	-
A-4 Assembly (3/1,000 sf)	0	0	0	-
Demolitions	0	0	0	-
A-5 Assembly (exclude)	0	0	0	-
Demolitions	0	0	0	-
E-Education (1/1,000 s.f.)	6,335	0	6,335	6.335
Demolitions		1	Unknown	-
I-Institutional (2/1,000 sf)	0	0	0	-
Demolitions	0	0	0	-
R-1 Hotels (.8/1,000 sf)	0	0	0	-
Demolitions	0	0	0	-
U-Misc. (exclude)	7,865	10,620	Exclude	-
Demolitions	16	3	-	-
			Total Jobs	12.597

Washington's 11 year summary of nonresidential development certificates of occupancy indicate a total of 182 (181.837) jobs created in accordance with COAH's employment growth share formulas, including the 13 (12.597) jobs attributable to certificates of occupancy for nonresidential development issued during 2004 and 2005. This falls well below the MPO forecast of 460 jobs for the third cycle. Washington's third cycle employment projection of 768.5 jobs exceeds the prior 11-year employment growth by a factor of more than 4 (4.2) (see below).

Table NR-5
 Developments and Anticipated Developments (sq. ft. & jobs)

Approved Development Applications	04	05	06	07	08	09	10	11	12	13	Total Sq. Ft.	Jobs
Mercantile	2,600 1/1,000											2.6
Education	6,335 1/1,000											6.33
New Elementary School		90,000 (1/1,000)									90,000	90
Old Farmer's Road Addition		10,000 (1/1,000)									10,000	10
Big Box			135,000 (1/1,000)									135
Long Valley Shopping Center			30,000 (1/1,000)									30
Rte.46 Used Car Dealer		3,000 (3/1,000)										9
Valley Shepard		10,000 (1/1,000)										10
Rin Robyn Pools				7,500 (1/1,000)								7.5
Black Oak*					25,000 10,000 (3/1,000)							30
Climate Controlled Storage		35,200 (.2/1000)										7
Valley View Chapel				24,500 excluded								
Breakfront Church		6,000 excluded										
Pending Development Applications												
Auto Parts Store		5,000 (1/1,000)										5
A&P – 2085 Change of Use		40,000 (3/1,000)										120
Anticipated Development Applications												
2 new car dealerships on Rt. 46			60,000 (3/1,000)									180

Other Projected Development											
Office							15,000 (3/1,000)				45
Total New Development											
Total Demolitions		0	0	0	0	0	0	0	0	0	0
											687.43

*Black Oak was approved as a two-phased project consisting of initially a 10,000 sf clubhouse, which is to be expanded in a subsequent phase to the 25,000 sf indicated above. During the third cycle, only 10,000 sq. ft. is expected to be constructed, which is why the 30 jobs are indicated in the table versus the 75 that the full 25,000 sq. ft. would otherwise indicate. The golf course was under construction when the Highlands Act was passed and the project was issued a stop work order shortly thereafter because of its location in the Highlands Preservation Area. The stop work order involves a dispute regarding NJDEP permits required and secured for the project at the time the Act was signed into law. In order to complete this project, Black Oak has indicated that the project would be scaled back to 10,000 sq. ft. and the plan to increase facility to 25,000 sq. ft. would be abandoned. The Black Oak permit issues may be resolved through litigation, and the municipality is cautiously optimistic that the scaled back plan for 10,000 sq. ft. will come to fruition, however the outcome of the facility ever being constructed is in doubt.

If the projected non residential growth is equal to or greater than the MPO projections for the municipality, the projection will have a presumption of validity in the Township’s petition for substantive certification. The projections listed above identify a total of 687.43 jobs from approved and anticipated development. A modest estimate for ‘other projected development’ of 15,000 sq. ft. of office space is included for the year 2010.

The MPO projection identifies a total of 460 jobs, according to COAH’s formula for job creation:

2015 MPO	-	2005 MPO	=	Employment
Employment	-	Employment	=	Change
4,400	-	3,940	=	460

The estimate in Table NR-5 of 687.43 jobs exceeds the MPO employment growth estimate by 218.5 jobs, which appears to be reasonable based upon the information in Table NR-5. The 687.43 jobs identified in Table NR-5 generates an affordable housing growth share of 27.497 (27.5) affordable dwelling units.

Combined Growth Share Obligation:

Residential growth share:

712 ÷ 8 = 89 affordable housing units

Nonresidential growth share:

687.43 ÷ 25 = 27.497 (27.5) affordable housing units

Total Growth Share:

89 + 27.5 = 116.5 or 117 affordable housing units

Prior Round Obligation and Credits:

COAH has adjusted the prior round obligation as part of developing the third round methodology, as follows:

	Rehabilitation	New Construction	Total Obligation From Prior Rounds
1987 – 1999	89	65	154
Revised Prior Round Obligation	0	42	42

Washington Township’s affordable housing activity and production from Prior Rounds was based upon an overall obligation of 154, which COAH now identifies at 42. Under the third round, affordable housing rehabilitation and new construction production in excess of the revised obligation may be carried forward as credits. Since the revised total obligation from prior rounds does not include a rehabilitation obligation, no rehabilitation credits may be applied to the prior round obligation. Under certain conditions, new construction affordable housing production from the prior round in excess of the revised 42 unit new construction obligation from prior rounds may be applied in the Township’s 2004 – 2014 obligation.

The following table identifies the Township’s prior round new construction affordable housing production, as identified by COAH in the Township’s compliance report of July 2005:

Washington Township’s New Construction from Prior Rounds (1987-1999)

	Units Delivered	Credits	Prior Round Credit
Peachtree Village	42 Affordable Rental Units	23 Rental Bonus Credits	65 Units
Brittany Hills	38-Age Restricted Affordable rental units	3-units ineligible against prior rounds obligation	35 Units
Buy-down Program	5-Units		5-units (1-additional unit - CO anticipated '05; not included in COAH's 7/05 compliance report
ARC-25 Overlook Drive	6-units		6-units
Total	91-Units		111-Units

*Under the prior round rules, there was a 25% cap on the number of age-restricted units that could be counted against the Township’s obligation, which resulted in 3 surplus credits (cannot be counted). Under the third round, there is a 50% age-restricted unit cap, which results in the 3 surplus credits being creditable toward the third round.

The following table identifies an allocation of prior rounds credits for the Township’s prior rounds obligation.

**Allocation of Prior Rounds
Affordable Housing Production & Credits
Applied to Revised Prior Rounds Obligation***

New Construction Obligation	42
Age Restricted Maximum (25%) (Brittany Hills)	-10
Rental Minimum (25%) (Peachtree)	-11
Buy-down Program	-5
ARC	-6
Additional Rentals (Peachtree)	-10
Remaining Prior Rounds Obligation	0

*No second round rehabilitation obligation.

The following table identifies credits from prior rounds that may be applied to Washington Township’s third round obligation, as allocated above. Credits remaining are proposed to be applied to the Township’s third round, which is solely a growth share obligation:

Remaining Credits From Prior Rounds Housing Production

Project	Prior Round Units & Credit	Prior Round Obligation	Credits Remaining
Peachtree Village (rental)	65 -	21	= 44
Brittany Hills (age-restricted)	35 -	10	= 25
Buy-down Program	5 -	5	= 0
ARC – 25 Overlook Drive	6 -	6	= 0
Total	111 -	42	= 69

44 rental
25 age-restricted

This table shows that after applying prior round units and credits to the revised prior rounds obligation, there remain 69 credits remaining that may be applied to the Township’s third round growth share obligation of 113-affordable housing units.

Third Round Growth Share Obligation and Fair Share Plan

Of the 117-affordable housing unit third round growth share obligation that is projected for Washington Township:

- 25% must be rental – 29.25 minimum;
- Not more than 50% may be age-restricted - 58.5 maximum; and
- At least 50% must be affordable to low-income - 58.5 (59) minimum;

The following table is provided to show credits from the prior rounds applied to the Township’s third round obligation, which is made up entirely of a growth share obligation. The table shows that:

- (1) The third round rental obligation of 29 units is satisfied by Peachtree Village rental credits carried into the third round from the prior rounds and leaves an additional 15 rental credits to be applied to the third round obligation; and
- (2) 25 units of credit from the Brittany Hills rental age-restricted housing are available to be counted against the 56-unit age-restricted maximum allowed under the third round rules.

**Remaining Credits From Prior Rounds Housing Production
Applied to 3rd Round Obligation – Rental & Age-restricted Housing**

3 rd Round Growth Share 113-units Total	Prior Round Credits	Required Minimum Permitted Maximum Of 117-units	Remaining Credits Available for 3 rd Round	Remaining Units Needed – 3 rd Round Obligation
Rental (Peachtree)	44	- 29 (min.)	= 15*	= 0
Age-restricted (Brittany)	25	- 56 (max.)		= 31

- 15 additional prior rounds rental credits that may be counted against the remaining 3rd round growth share obligation after counting 29-units (25% minimum required under 3rd round rules);
- 31 age-restricted units required to reach 50% maximum allowable under 3rd round rules.

Prior Round affordable housing activity not accounted for by COAH in the July 2005 compliance report include:

- (1) one additional buy-down unit, which is to receive a CO in the fall of 2005; and
- (2) one 4-bedroom group home (REM NJ Properties – Long Valley Blvd.)

These two sites provide an additional 5-units of credit that may be applied to the Township’s third round obligation.

The following table summarizes Washington Township’s Third Round Fair Share Plan including an allocation of prior rounds credit to the 117-unit third round obligation:

Third Round Fair Share Plan

Third Round Obligation:	117
(5) Prior Rounds Credits	-69
(6) REM NJ Properties (4-br. group home-Long Valley Blvd.):	-4
(7) Washington Twp. Buy-down #6 (future):	-1
(8) US Home Age-restricted housing (future-45-units total):	-31
Remaining 3 rd Round Obligation:	12